

HICKORY VALLEY FIELD

02-339

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on **TUESDAY, JUNE 18, 2002**, upon the application of **JOHN O. CLAY EXPLORATION, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the **Wilcox Formation, Reservoir "B"**, in the Hickory Valley Field, Winn Parish, Louisiana.

1. To amend the definition of the Wilcox Formation, Reservoir "B", adopted in Office of Conservation Order No. 1104-A, to define the unitized formation as that certain gas bearing sand strata encountered between the depths of 2065' and 2096' by electric log measurement in the John O. Clay Exploration, Inc. - Louisiana Pacific/Hardtner No. 2 Well, located in the Southeast Quarter of the Northwest Quarter of Section 16, Township 12 North, Range 1 East.
2. To dissolve WX RB SUA created by Office of Conservation Order No. 1104-A and to create three (3) drilling and production units for the Wilcox Sand, Reservoir "B", to be designated as WX RB SUA through SUC, inclusive, the boundaries and location of such units being shown on the plat submitted with the application.
3. To force pool and unitize all separately owned tracts, mineral leases and other property interests within each of the proposed units, with the production from the unit well on each unit to be allocated to the tracts within that unit on the basis of the surface acreage contained in each such tract.
4. To amend the rules and regulations applicable to the Wilcox Formation, Reservoir "B" established pursuant to the provisions of Office of Conservation Order No. 1104-A to provide that future wells drilled to the unitized formation, whether located within or outside of the units created, shall be located no closer than two hundred (200) feet from any unit boundary and no closer than nine hundred (900) feet from any other well drilling to, completed in or permitted for the Wilcox Sand, Reservoir "B".
5. To designate John O. Clay Exploration, Inc. as the operator for proposed WX RB SUA and WX RB SUB and to designate the John O. Clay Exploration, Inc. - Louisiana Pacific/Hardtner No. 1 Well as the unit well for proposed WX RB SUA and the John O. Clay Exploration, Inc. - Louisiana Pacific/Hardtner No. 2 Well as the unit well for the proposed WX RB SUB.
6. To consider such other matters as may be pertinent.

The Wilcox Formation, Reservoir "B", in the Hickory Valley Field, Winn Parish, Louisiana, was previously defined in Office of Conservation Order No. 1104-A as that formation found between 2110' and 2140' by electric log measurement in the B. J. Long - Louisiana Pacific 16 No. 2 Well located in the Northwest Quarter of Northeast Quarter of Section 16, Township 12 North, Range 1 East.

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A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana or may be found at the following site:

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

FELIX J. BOUDREAUX

COMMISSIONER OF CONSERVATION

Baton Rouge, La

5/15/02;5/18/02

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION AT P. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.